

TDX North Slope Generating, LLC
Cost of Power Adjustment (COPA)/ Small Facility Power Purchase Rate (SFPPR)
Update Memorandum

Date: **November 28, 2022**

Utility Name TDX North Slope Generating, LLC	Utility File No. TA208-227	Date Filed: November 15, 2022
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FILING SUMMARY		
Statutory Deadline: December 30, 2022	Tariff Sheets recommended for approval: Tariff Sheet No. 62 Filed on November 15, 2022 Tariff Sheet No. 79 Filed on November 15, 2022	Staff Recommended Effective Date: January 1, 2023
Side-by-side Tariff Sheets attached as Appendix 3		

COPA SUMMARY				
Prior Commission Determination TA Number and Effective Date	Prior Commission Determination (\$/kWh)	Staff Recommended Determination (\$/kWh)	Change (\$/kWh)	
TA207-227 9/1/2022	\$0.08450	\$0.07540	(\$0.00910)	

SFPPR SUMMARY				
Prior Commission Determination TA Number and Effective Date	Prior Commission Determination (\$/kWh)	Staff Recommended Determination (\$/kWh)	Change (\$/kWh)	
TA207-227 9/1/2022	\$0.0664	\$0.0699	\$0.0035	

Signed: Christina Thibodeaux Utility Tariff Analyst
 Christina Thibodeaux

Reasons for the above recommendations: See Attached Memorandum

	DATE, IF DIFFERENT FROM 11/28/2022	I CONCUR	I DO NOT CONCUR	I WILL WRITE A DISSENTING STATEMENT*
Kurber		<u>KKT</u>		
Doyle		<u>RMP</u> BP for RAD		
Pickett		<u>RMP</u> BP		
Sullivan		<u>DS</u>		
Wilson		<u>JWW</u> JWW		

Special Instructions to Staff: _____

* If this column is initialed, Staff will contact the Commissioner for the statement. Otherwise, dissent will be noted at the close of the By Direction Letter or Order.

TDX North Slope Generating, LLC
Cost of Power Adjustment (COPA)/ Small Facility Power Purchase Rate (SFPPR)
Update Memorandum

To: Keith Kurber II, Chairman
Robert A. Doyle
Robert M. Pickett
Daniel A. Sullivan
Janis W. Wilson

Date: November 28, 2022

File: TA208-227

Utility: TDX North Slope Generating, LLC
(TNSG)

From: Christina Thibodeaux

Subject: COPA/SFPPR

COPA Comments:

Staff reviewed this tariff filing to ensure compliance with applicable regulations (3 AAC 48.200-3 AAC 48.430). Staff also reviewed the proposed tariff sheets to ensure the stated text is easily understood, and the tariff provisions clearly and comprehensively describe and address the situation to which the tariff provision applies. When approving the tariff filing, the Commission must be assured that proposed rates and services are just, reasonable, and non-discriminatory. Proposed revisions to the COPA surcharge are reviewed under 3 AAC 52.504, which requires information supporting entries in the balancing account for the historical period, and support for projections for the future period.

Staff Notes:

Appendix 2 shows the estimated total costs increased from \$729,693.29 to \$1,093,437.10, the estimated balancing account decreased from \$125,602.94 to \$20,792.77, and the estimated retail sales increased from 10,121,910 kWh to 14,777,589 kWh. The upward pressure from the increase in estimated total costs is offset by the downward pressure from the decrease in the estimated balancing account balance and the increase in estimated retail sales. This results in a decrease of TNSG's COPA from \$0.08450/kWh to \$0.07540/kWh.

Staff Recommendation:

The Commission should approve Tariff Sheet No. 79, filed November 15, 2022, by TDX North Slope Generating, LLC with TA208-227. The effective date of the tariff sheet should be January 1, 2023.

SFPPR Comments:

TNSG's tariff provides that the rate at which power will be purchased from qualifying facilities with a design capacity of 100kW or less is calculated based upon the amount of natural gas generation used in the most recent quarter, updated to reflect the current price of fuel, divided by the number of kWh sold in the most recent quarter.

Staff Notes:

TNSG proposes an SFPPR of \$0.0699/kWh, which is an increase of \$0.0035/kwh from the previously approved SFPPR of \$0.0664/kWh.

Staff Recommendation:

The Commission should approve Tariff Sheet No. 62, filed November 15, 2022, by TDX North Slope Generating, LLC with TA208-227. The effective date of the tariff sheet should be January 1, 2023.

TDX North Slope Generating, LLC
Calculation and Comparison of 31,500 kWh Bill
TA208-227

Customer Bills	Prior Determination (\$/kWh)	Updated Determination (\$/kWh)	Change
Surcharge (\$/kWh)	\$0.08450	\$0.07540	(\$0.00910)
31500 kWh Customer Bill			
Energy @ \$0.1510/kWh	\$4,756.50	\$4,756.50	\$0.00
Customer Charge (3-Phase Service)	\$373.84	\$373.84	\$0.00
Regulatory Cost Charge @ \$0.000893/kWh	\$28.13	\$28.13	\$0.00
Surcharge Amount (\$)	\$2,661.75	\$2,375.10	(\$286.65)
Total Customer Bill (\$)	\$7,820.22	\$7,533.57	(\$286.65)

TDX North Slope Generating, LLC
Cost of Power Adjustment Amount
TA208-227

Calculation of Cost of Power Adjustment		
Line Description	Prior Determination (\$/kWh)	Updated Determination (\$/kWh)
A Estimated Per Unit Fuel Cost	\$ 4.92	\$ 4.9191
B Estimated Fuel Consumption	148,339.00	222,283.974
C Estimated Per Unit Power Cost	-	-
B Estimated Power Consumption	-	-
D Total Estimated Fuel Cost	\$ 729,693.29	\$ 1,093,437.10
E Balancing Account Balance	\$ 125,602.94	\$ 20,792.77
F Total (D+E)	\$ 855,296.23	\$ 1,114,229.87
G Estimated Retail Sales	10,121,910	14,777,589
H Projected Cost of Power (F/G)	\$ 0.08450	\$ 0.07540
I Base Cost of Power	\$ -	\$ -
J Cost of Power Adjustment Amount (H-I)	\$ 0.08450	\$ 0.07540

Staff Comments:

Actual Costs			
	Prior Determination (\$/kWh)	Updated Determination (\$/kWh)	Change
Per Unit Fuel Cost	\$ 4.88	\$ 8.66	\$ 3.78
Total Fuel Cost	\$ 729,693.29	\$ 1,093,437.10	\$ 363,743.81
Balancing Account	\$ 125,602.94	\$ 20,792.77	\$ (104,810.17)

Actual Revenues			
	Prior Determination (\$/kWh)	Updated Determination (\$/kWh)	Change
Sales	\$ 11,070,040	\$ 8,880,361	\$ (2,189,679)
COPA Surcharge Revenues	\$ 748,334.70	\$ 703,507.15	\$ (44,827.55)
Base Cost Revenues	\$ -	\$ -	\$ -

Signature: Keith Kurber II
Keith Kurber II (Nov 28, 2022 08:26 AKST)

Email: keith.kurber@alaska.gov

Signature: Robert M. Pickett

Email: bob.pickett@alaska.gov

Signature: Daniel Sullivan
Daniel Sullivan (Nov 28, 2022 08:41 AKST)

Email: daniel.sullivan@alaska.gov

Signature: Janis W. Wilson
Janis W. Wilson (Nov 28, 2022 10:18 AKST)

Email: janis.wilson@alaska.gov

RCA No. 227 3rd Revision Sheet No. 62
 Cancelling 2nd Revision Sheet No. 62

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TDX NORTH SLOPE GENERATING, LLC

RULES AND REGULATIONS
Section 11 - Purchases of Power from Qualifying Facilities

11.1 Small Facility Power Purchase Rate

The rate at which the Utility will purchase energy from qualifying facilities with a design capacity of 100 kW or less is calculated based upon the amount of natural gas generation used in the most recent quarter, updated to reflect the current price of fuel, divided by the number of kWh sold in the most recent quarter.

A.	Amount of natural gas used		149,430	MMBtu	
B.	Current price of delivered natural gas		<u>4.92</u>	\$/MMBtu	
C.	Total Fuel Costs	A x B	\$	735,061	
D.	kWh sold		<u>11,070,040</u>	kWh	
E.	Small Facility Power Purchase Rate	C / D	6.64	c/kWh	I

Tariff Advice No. TA207-227 Effective: September 1, 2022

Issued by : **TDX NORTH SLOPE GENERATING, LLC**

By : John G. Lyons Title : TDX Power President

RCA No. 227 ~~34th~~ ^{4th} Revision Sheet No. 62
 Cancelling ~~33rd~~ ^{3rd} Revision Sheet No. 62



TDX NORTH SLOPE GENERATING, LLC

RULES AND REGULATIONS
Section 11 - Purchases of Power from Qualifying Facilities

11.1 Small Facility Power Purchase Rate

The rate at which the Utility will purchase energy from qualifying facilities with a design capacity of 100 kW or less is calculated based upon the amount of natural gas generation used in the most recent quarter, updated to reflect the current price of fuel, divided by the number of kWh sold in the most recent quarter.

A.	Amount of natural gas used		126,279	MMBtu	
B.	Current price of delivered natural gas		<u>4.92</u>	\$/MMBtu	
C.	Total Fuel Costs	A x B	\$	621,179	
D.	kWh sold		<u>8,880,361</u>	kWh	
E.	Small Facility Power Purchase Rate	C / D	6.99	c/kWh	I

Tariff Advice No. TA208-227 Effective

Issued by : **TDX NORTH SLOPE GENERATING, LLC**

By : John G. Lyons Title : TDX Power President

RCA NO. 227 3rd Revision SHEET NO. 79
 CANCELLING 2nd Revision SHEET NO. 79

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 STATE OF ALASKA
 REGULATORY COMMISSION OF ALASKA

TDX NORTH SLOPE GENERATING, LLC			
COST OF POWER ADJUSTMENT			
(1) Estimated Costs for 3 month Period Beginning		SEPTEMBER 1, 2022	
Source	Estimated Quantity	Estimated Unit Cost	Estimated Total Cost
Purchased Power	0 kwh	\$ 0.0326 /kwh	0
Natural Gas	148,339 MMBtu	\$ 4.92 /MMBtu	729,693.29 I
Diesel Fuel	0 gal	\$ 5.0825 /gal	0
(1) Total			\$ 729,693.29 I
(2) Balance in Cost of Power Estimated Balancing Account as of	August 31, 2022	\$125,602.94	I
Balance in Actual Balancing Account as of June 30, 2022 \$128,777.13			
(3) Total (1) and (2) above			855,296.23 I
(4) Estimated Retail Energy Sales for Three Months (kwh)			10,121,910 R
(5) Projected Cost of Power [(3)/(4)]		\$ 0.08450 /kwh	I
(6) Base Cost of Power		0.00000 /kwh	
(7) Cost of Power Adjustment [(5)-(6)] for Period Beginning	SEPTEMBER 1, 2022	\$ 0.08450 /kwh	I
Tariff Advice No. <u>TA207-227</u> Effective: September 1, 2022			

Issued by: TDX NORTH SLOPE GENERATING, LLC
 By : John G. Lyons Title : TDX Power President

RCA NO. 227 4th Revision SHEET NO. 79
 CANCELLING 3rd Revision SHEET NO. 79



TDX NORTH SLOPE GENERATING, LLC			
COST OF POWER ADJUSTMENT			
(1) Estimated Costs for 3 month Period Beginning		December 1, 2022	
Source	Estimated Quantity	Estimated Unit Cost	Estimated Total Cost
Purchased Power	0 kwh	\$ 0.0326 /kwh	0
Natural Gas	222,284 MMBtu	\$ 4.92 /MMBtu	1,093,437.10 I
Diesel Fuel	0 gal	\$ 5.0825 /gal	0
(1) Total			\$ 1,093,437.10 I
(2) Balance in Cost of Power Estimated Balancing Account as of	November 30, 2022	\$20,792.77	R
Balance in Actual Balancing Account as of September 30, 2022 \$128,777.13			
(3) Total (1) and (2) above			1,114,229.86 I
(4) Estimated Retail Energy Sales for Three Months (kwh)			14,777,589 I
(5) Projected Cost of Power [(3)/(4)]		\$ 0.07540 /kwh	R
(6) Base Cost of Power		0.00000 /kwh	
(7) Cost of Power Adjustment [(5)-(6)] for Period Beginning	December 1, 2022	\$ 0.07540 /kwh	R
Tariff Advice No. <u>TA208-227</u> Effective			

Issued by: TDX NORTH SLOPE GENERATING, LLC
 By : John G. Lyons Title : TDX Power President